

College Name: \_\_\_\_\_

Student Name: \_\_\_\_\_ Seat No: \_\_\_\_\_

Copy No: \_\_\_\_\_

**KARACHI UNIVERSITY BUSINESS SCHOOL  
UNIVERSITY OF KARACHI  
FINAL EXAMINATION JUNE 2015 AFFILIATED COLLEGES  
MONEY AND BANKING BA (H) – 431  
BS – III**

**Date: June 1, 2015**

**Max Time: 80 Min**

**Max Marks: 30**

**INSTRUCTIONS:**

- 1. Attempt all questions. Do not write anything on the question paper.**
- 2. Mobile phones or any other communicating device will not be allowed in the examination room. Students will have to remove the batteries of these devices before entering the examination hall.**

**SECTION "B"**

**Q.2: Differentiate between any 04 of the following terms:**

- |  |   |
|--|---|
| a) Capital market and money market     | b) common stock and preferred stock           |
| c) Corporate bonds and municipal bonds | d) credit card and debit card                 |
| e) Primary market and secondary market | f) depository and non-depository institutions |

**Q.3: Attempt any four questions (answers not exceed 6-8 lines)**

- a) How does the Central bank act "the lender of last resort?"
- b) "Insanity and insolvency render a cheque dishonored" why?
- c) For whom are saving account suitable and why?
- d) How will you prove that "security exchange" create continuous liquid market.
- e) How can deflation controlled by bank reserve ratio requirement

**Q.4: What do you understand by following term, .**

**briefly explain:**

- a) Basel agreement I & II
- b) Mudarabah
- c) KYC requirements
- d) Dividend warrants

**END OF SUBJECTIVE PAPER**